



Electronic Access Conference *e***magine** 2001

Student Financial Assistance

THE U.S. Department of
EDUCATION



Session 34

2002-2003 Direct Loan Technical Spec Update



Agenda

- Origination Processing
- Promissory Note
- Disbursement
- Reports
- Software Provider Interface
- Data Recovery
- Entrance Counseling
- In Progress



Section 1

Origination Processing



2002-2003 Direct Loan Technical Reference

- Custom Systems
 - Section 1,2, and 3
 - Section 4 - Implementation Guide
- Combination Systems
 - Section 5, 6, and 7
 - Section 4 - Implementation Guide
- Appendices will be available in the Final version in the Fall



Full Loan Origination Record

- Replace Fields on Full Loan Origination Record Layout with Filler
 - #139 - Permanent Address Change Date
 - #140 - Local Address Change Date
 - #141 - Borrower's SSN Change Date



Full Loan Origination Record (continued)

- #142 - Borrower's DOB Change Date
- #144-163 - 1st through 20th
Disbursement Anticipated Percentages



Full Loan Origination Record (continued)

- Applies to 2002-2003 and forward
- Record length remains the same
- Reduces the amount of data that schools must transmit



Full Loan Origination Record (continued)

- Corresponding Change Field Transmit Numbers are no longer valid for Change Process for 2002 - 2003 will reject with “invalid change field” #22:
 - S104 - Permanent Address Change Date
 - S105 - Local Address Change Date
 - S106 - Borrower’s SSN Change Date
 - S107 - Borrower’s DOB Change Date



Section 2

Promissory Note



New Annual Loan Limit Calculations at LO

- Annual Loan Limit edits performed by Loan Origination using
 - Student Grade Level
 - same academic year or academic year completely within another academic year
 - the Additional Unsubsidized Loan for Health Profession Programs flag



New Annual Loan Limit Calculations at LO (continued)

- No longer using HEAL indicator
- No longer using dependency status
- No longer using overlapping academic years



New Local Address Process

- LOC no longer rejects Loan Origination records and Change records based on Local Address edits
- Removed:
 - Loan Origination Reject Codes 61-65
 - Loan Origination Change Reject Codes 61-65



New Local Address Process (continued)

- LOC database is only populated when fields pass edits
- If blank, the Local Address fields are NOT populated on the LOC database with the Permanent Address



Full Loan Origination Acknowledgement

- Added Field #7 - Electronic Master Promissory Note Indicator
 - 1 byte field
 - Valid field content:
 - “E” - Electronic MPN or
 - Blank - Paper MPN

Promissory Note

- Increased P-note acknowledgement record by 1 byte at end of record to indicate P-note Type
 - One byte field
 - Valid field content
 - “E” - Electronic P-note
 - Blank - Paper P-note



Section 3

Disbursement



Future Dated Disbursements

- Schools can transmit disbursement transactions to Loan Origination with a disbursement activity date up to seven calendar days in the future.
- Current ADL, ADR, and drawdown process continues



Future Dated Disbursements (continued)

■ Updated

- Disb Reject Code S - Disbursement date cannot be more than seven calendar days after the current date

■ Eliminated

- Disb Reject Code R - Disbursement date cannot be after the current date
- Disb Reject Code 20 - Disbursement date cannot be after the current date



Disbursement Adjustments

- Schools can process disbursement adjusted amounts and adjusted dates on the LO On-Line Application
- School must supply the correct disbursement sequence number
- School has the option to receive Disbursement Acknowledgement
 - Batch Type is WG



Disbursement Sequence Numbers

- Schools generated disbursement sequence numbers 01-65
- LO CSRs assigns a disbursement sequence number 66-90 for LO Manual Disbursement Adjustments
 - No acknowledgement is sent to school



Payment to Servicer Transactions

- Added Disbursement Sequence Number to the Servicer Refund Record (Batch Type SP) sent to a schools
- Disbursement Sequence Number is assigned using the range 91-99



Reduced Number of Booking Notifications

- Booking Notifications sent at the loan level using Disbursement Type “L - Booking Disbursement”
- Booking notifications (DIOD, #B) sent only for the first actual disbursement
- Subsequent disbursement activity is acknowledged with a DIOD (#H), but no booking notification (#B) is sent



Disbursement Record/ Acknowledgement

- Eliminated the following fields and replaced with filler:
- #14 - School Status Code
- #15 - Loan Identifier Status
- #16 - Disbursement Number Status
- #18 - Transaction Date Status
- #19 - Sequence Number Status



Section 4

Reports



School Account Statement - Direct Loan

- Merged the Direct Loan School Account Statement (DLSAS) and the 732 Reports into a single School Account Statement - Direct Loan (SAS-DL)
- SAS reports can be requested as a delimited or fixed length file at the
 - Disbursement level or Loan level



School Account Statement - Direct Loan (continued)

- New Record layout
- New Message Class



Section 5

Software Provider Interface



Software Provider Interface

- Added the capability to track the software provider's name and the software version number used by a school to
 - Enhance customer service
 - Assist in trouble-shooting
 - Assist in identifying software interface issues

Header Record

- Added Field #10 - Software Provider to the Header Record
 - 9 characters
 - alphanumeric, left justified
 - first three characters indicate the name of the Software Provider
 - final six characters indicate the software version number



Section 6

Data Recovery



Data Recovery File Update

- Requests for Data Recovery Files are to be requested through the Direct Loan Origination WEB screens.
- Data Recovery File will still do the 1-20 disbursement percentages, but will use one of the bytes to populate MPN type.



Section 7

Entrance Counseling



Entrance Counseling

- Borrowers' Entrance Counseling results from the LO On-Line Application available in an electronic file or can be downloaded
- School options for file format
 - ASCII-delimited,
 - Fixed length with Header and Trailer or
 - Preformatted report



Entrance Counseling (continued)

- Record layouts and message classes forthcoming
- Frequency of delivery
 - daily,
 - weekly or
 - monthly



Section 8

In Progress

In Progress

- Discharged Loans and Loans Pending Bankruptcy will affect:
 - Loan Limits
 - Promissory Note processing
 - Disbursement processing



Where to Get Help for Custom Systems

- Draft 2002-2003 Direct Loan Technical Reference is available at:
www.sfadownload.ed.gov
- LOC Assistance for Custom Systems
 - FAX 800-557-7396
 - E-mail loan_origination@mail.ed.gov using "Technical Question" in the subject line



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Questions?



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